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SIAST Administrative Offices

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SIAST Woodland Campus

1100 15th Street East
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SIAST Kelsey Campus

Idylwyld and 33rd Street
P.O. Box 1520
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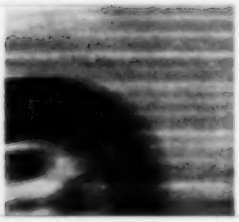
Fax: (306) 933-6490



At SIAST, we realize that we must be constantly on the move if we are to effectively respond to labour force development in the province. We know where we are headed, and we have a well-conceived map of the route we must take. But we also know that our destination is ever-changing, and that we must be agile and flexible en route.

Letter of **Transmittal**

400 – 119 4th Avenue South
Saskatoon, Saskatchewan
S7K 5X2

September 22, 2006

The Honourable Pat Atkinson
Minister of Advanced Education and Employment
Saskatchewan Advanced Education and Employment
Regina, Saskatchewan
S4S 0B3

Dear Minister:

On behalf of the board of directors of the Saskatchewan Institute of Applied Science and Technology (SIAST) and in accordance with the provisions of *The SIAST Act*, I am pleased to submit the annual report and audited financial statements of SIAST for the fiscal year ended June 30, 2006.

Respectfully submitted,

Wil Olive, Q.C.
Chair
SIAST Board of Directors

Stacy Aikman (pictured, in red), then human resource officer at SIAST Palliser Campus, and **Judy Grimwood** (pictured, in blue), director of compensation and benefits at the SIAST Administrative Offices, achieved their Certified Human Resource Professional (CHRP) designations in 2005-06.

Karen Barss, a Nursing Education Program of Saskatchewan faculty member who has produced a CD, Spirit Songs: Sacred Imagery for Healing, was invited to present her work on spirituality in health care at a conference in Chicago.

Scott Besse, a SIAST Kelsey Campus student, won the $1,600 grand prize at the 2006 SABA (Saskatchewan Auto Body Association) Skills Competition. Ten auto body students competed against the clock – and each other – for a full set of tools.

Message from **the Chair**

Economic growth, demographic change and competition for skilled workers has, during the past year, brought the Saskatchewan training sector in general, and SIAST in particular, under increased public scrutiny. As the province's primary provider of skills and technical training, SIAST is quite reasonably one of the first educational institutions to which business and government would turn when confronted by the labour shortage that is now emerging in Saskatchewan.

In this environment, the provincial government's recently concluded training system review was especially timely. It emphasized the need for enhanced access and system-wide collaboration. These are approaches with which SIAST's strategic priorities are especially well aligned and to which the SIAST board is firmly committed.

In the months and years ahead, my board colleagues and I will continue to evolve these priorities and monitor the organization's effectiveness in pursuing them, driven always by the need to meet labour market needs. Educating applicants and providing trained personnel for industry, while maintaining the high standards of academic excellence for which SIAST is nationally and internationally known, will underscore our efforts.

At the end of 2005-2006, several SIAST board members completed their terms, including board chair Christine Boyczuk. Several new members, including me, came on board. I know that I speak for the entire board when I thank Christine and the other retiring directors for their service and commitment to SIAST and the province. I am also confident that I speak for all the new and ongoing members in confirming our commitment to governance best practices and to meeting the needs of SIAST's many stakeholders.

Wil Olive, Q.C.
Chair
SIAST Board of Directors

SIAST Board **of Directors**

Wilson Olive, Q.C.
Chair
Appointed June 2006

Jean Morrison
Vice-Chair
Appointed April 2003

Dr. Robert McCulloch
President & CEO

Neil Buechler
Appointed November 2004

Louis Gardiner
Appointed April 2003

Keith Hanson
Appointed June 2006

David Koester
Appointed June 2006

Garry Kot
Appointed November 2002

Jane Lindstrom
Appointed June 2006

Sherry Magnuson
Appointed November 2004

Jim Numan
Appointed November 2004

Gay Patrick
Appointed June 2006

Joan Popadynec
Appointed June 2006

Leland Sommer
Appointed May 2001

Violet Stanger
Appointed July 2001

Message from the **President & CEO**

Numerous recent accounts chronicle our province's thriving economy. A report from the Saskatchewan Institute of Public Policy, for instance, suggests that growth of real economic output in Saskatchewan has outpaced other developed economies. Incomes have grown on par with most other provinces and faster than the national average, it says.

SIAST plays an important role in helping business and industry capitalize on the wealth of opportunities created by this booming economy. Our success in this endeavour hinges upon the excellence of our programs, flexibility and creativity in delivery, innovative use of technology, and the development of new alliances. This annual report contains numerous examples of the innovative programming, productive partnerships and increased connections with Aboriginal stakeholders that support these efforts.

We can continue to be responsive and relevant to employers, however, only if we remain focused also on both the aspirations and the needs of students. Our programs equip students to reap the benefits of the province's robust economy, and our services keep pace with their changing circumstances. The highlights contained in this annual report demonstrate that an ever-present student focus is consistent with meeting industry and business needs.

Responding to labour market needs, and engaging and supporting students are not without challenges. But these are challenges that invigorate our employees and that sustain our organization. They are challenges for which we have consistently demonstrated effective and inspired responses.

Dr. Robert G. McCulloch
President & CEO

Janice Brenner, an instructor in the Pharmacy Technician program at SIAST Kelsey Campus, was the first runner-up in the rxBriefCase's first annual Best Practices in Online Learning competition. rxBriefCase offers online continuing education opportunities for pharmacists.

A team of **Architectural Technologies** students at SIAST Palliser Campus won a Natural Resources Canada 2006 Energy Ambassador Award for Share the Warmth – A Project Model for Energy Efficiency Action and Awareness. The students collaborated with SaskEnergy and community partners to deliver and install low-cost energy-efficient upgrades to 100 low-income households in Moose Jaw. (volunteer pictured)

Innovation DRIVES initiatives that engage under-represented populations.

The **Nursing Education Program of Saskatchewan (NEPS)** Second Degree Entry Option faculty received the SIAST President's Award of Excellence in recognition of their outstanding contributions to SIAST during the development and initial implementation of the new NEPS Second Degree Entry Option. The team includes **Chris Barlow**, **Cheryl Brunoro**, **Carol Bullin**, **Marie Darichuk**, **Diane Jensen**, **Signy Klebeck**, **Deb Lendzyk-Sorestad** and **Candace Skrapek**. (pictured)

Rose Katerynych, Professional Cooking program instructor, SIAST Palliser Campus, received the Chef of the Year award from the Canadian Culinary Federation, Regina Branch.

SIAST's recruitment road crew, Terry Seto and Karen Hornshorn, visited more than 75 high schools across the province in the last academic year, including a tour of northern communities.

NARRATIVE

At SIAST, we respond to the economic opportunities and challenges facing Saskatchewan through a process of continual and self-sustaining change. We pursue our vision as a catalyst for social and economic development by tailoring our portfolio of programs in response to emerging opportunities and evolving labour market needs. Innovation drives intiatives that engage traditionally under-represented populations, maximize student success rates, and mobilize our own human resources effectively and efficiently. SIAST initiatives and partnerships are fueling labour market development at many essential levels. For example:

Responsiveness

Guided by changing labour market needs, we refine existing programs, develop new ones and retire those that are no longer in demand. Our goal is to develop high-quality, relevant programming that brings skills to market as quickly and efficiently as possible. In 2005-2006, we revised 52 programs, introduced five and deleted eight. Highlights include:

- Underground Mining (Shaft Operations) was implemented in response to demand from the mining sector in northern Saskatchewan.
- A Pre-Trades Bricklayer applied certificate program was developed for delivery starting in September 2006.
- A new program was developed to help prepare internationally educated nurses for jobs in Saskatchewan.

We continue to seek opportunities to increase the portability of SIAST credits, positioning students for life-long learning. Last year, for example, we signed an agreement with the University of Regina that enables our Corrections Worker diploma graduates to apply for advanced standing in the university's Bachelor of Arts, Justice Studies program.

Our prior learning and recognition office was a key contributor to the development of the online SaskCAT Transfer Credit Guide, launched province-wide in January 2006. The guide makes it easier for the public to identify transfer credit opportunities in Saskatchewan. An increase in career fair activity across SIAST provided additional opportunities for potential employers to promote their organizations to students.

Changing industry demands and changing student needs have conspired in recent years to exert severe pressure on space at all four

campuses, particularly SIAST Kelsey Campus. Phase 1 of a proposed major renovation project at Kelsey is providing much-needed upgrades and 1,800 square metres of additional space. The project will add Industrial Mechanics, Plumbing and multi-purpose shop space. Escalating construction costs have pushed the project to $5.9 million. Upgrades at SIAST Palliser Campus, approved for 2005-2006, have been postponed while the project is re-scoped to ensure that it responds appropriately to dynamic issues.

Innovation

From applied research to program delivery to student recruitment, we seek new ways to respond to student, industry and employer needs. Last year:

- We recruited a director to lead our newly established applied research and innovation office. Through applied research, we will accelerate the adoption of technology transfer initiatives and facilitate the commercialization of ideas.
- Through a new provincial/federal initiative, Experience Counts: Workers Over 50 Project, we provided training designed to hone the job-search skills of older unemployed workers. More than 80 people took part in the program, which was delivered at all four campuses.
- CSI (Come. See. Investigate.) – a new student recruitment initiative – brings small groups of high school students into SIAST for hands-on learning about specific programs. This targeted approach enables program and recruitment personnel and potential students to focus their attention more closely on areas of opportunity and interest.
- A week-long Spotlight on Careers event, held in partnership with the Saskatoon and District Industry-Education Council, provided Grade 11 and 12 students with intensive career exploration opportunities.
- As part of a pilot project with Mount Royal Collegiate in Saskatoon, eight Grade 11 and 12 students received credit toward our Warehouse Worker and Parts Management programs while still attending high school. In 2007, SIAST credit programming will be offered via distance delivery to Mount Royal students and to students at Martin Collegiate in Regina. The approach will likely be expanded to other program areas.

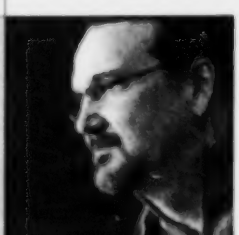
Accessibility

With financial support from industry and various branches of government, we acquired a mobile training lab that will enable us to offer on-site industrial and technical training in northern Saskatchewan and in other

Andrea Cornish, a student in the New Media Communications Certificate program, won a poster design competition for the Andrea Menard film, Velvet Devil. The competition was sponsored by West Wind Aviation and Java Post.

SIAST's CPR/First Aid faculty were chosen by the American Heart Association to deliver the first pilot CPR program in North America that follows the new international guideline changes.

The SIAST Innovation Award was won by **Les Dickson** of the Planning, Research and Development department. (pictured)

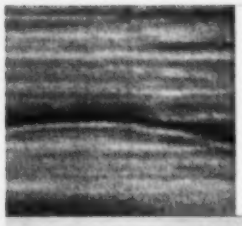


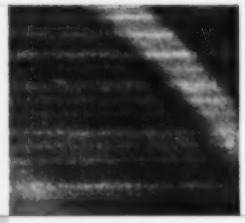
Input from Saskatchewan employers STEERS our programming.

A SIAST Outstanding Service Award was won by **Vi Demyon**, facilities coordinator at SIAST Kelsey Campus. (pictured)

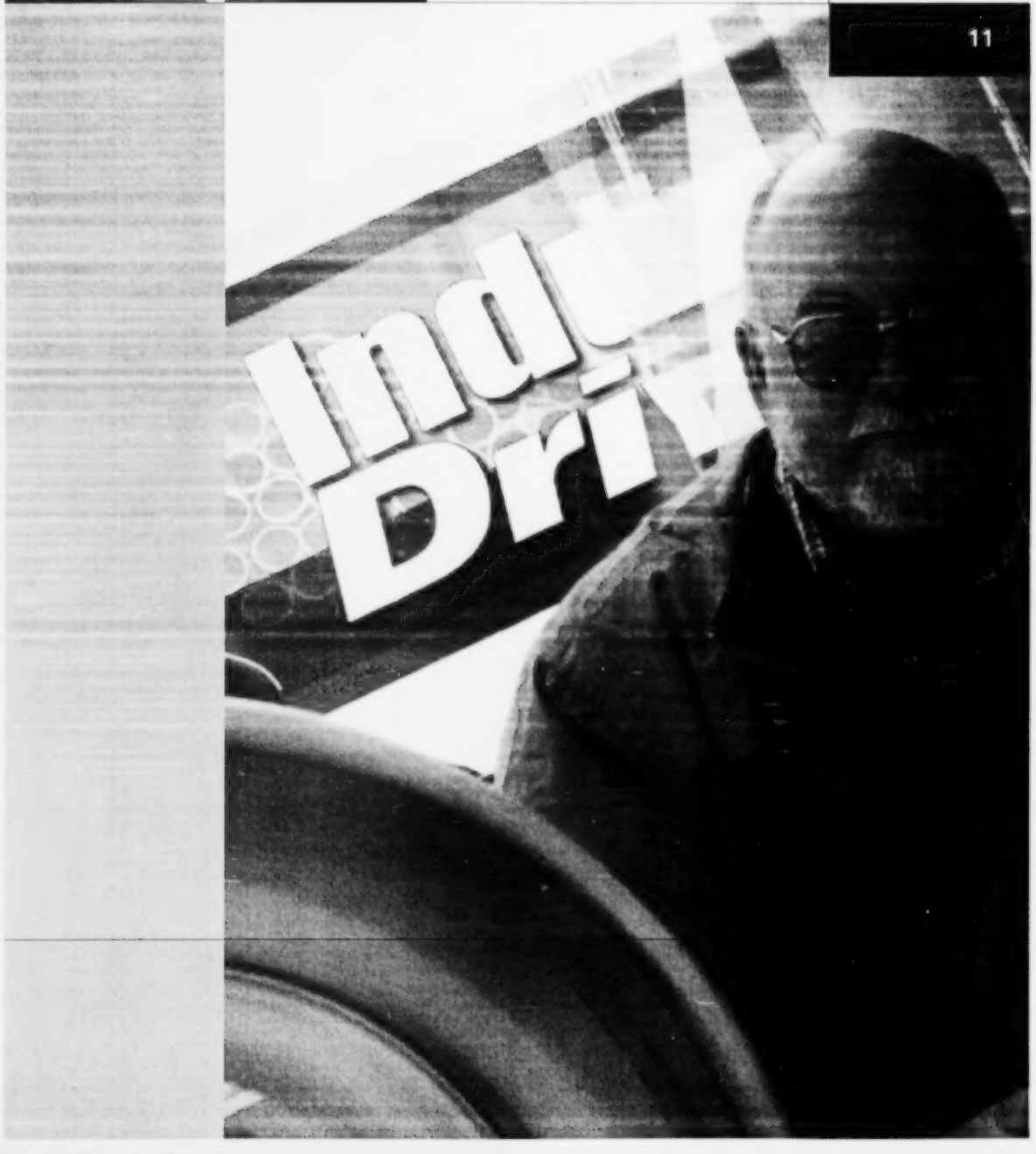
The **Dental Hygiene** class at SIAST Wascana Campus won the Dental Hygiene School Category of the 2005 Oral-B Health Promotion Award. To celebrate National Dental Hygienists Week, SIAST Dental Hygiene students gave away more than 1,300 toothbrushes to children at a junior hockey game in Regina. Most of the toothbrushes were donated by dental offices.

Susan Ehlert, instructor in Medical Diagnostics, SIAST Kelsey Campus, was appointed to the exam validation committee of the Canadian Association of Medical Radiation Technologists.





Danny MacLennan, an extention education consultant at SIAST's Prince Albert campus, coordinated the mobile training lab project for SIAST. The travelling unit contains technical and industrial training facilities that are built into a trailer with two slide-out sections.



remote areas of the province. The mobile lab and its two supply trailers represent a $1.6 million capital investment.

Accessibility to Technology programs will be increased through a memorandum of understanding reached with the Montreal Lake Cree Nation. The agreement will result in off-campus delivery of the first year of Natural Resource programs. A similar arrangement will see our Practical Nursing program delivered to 18 students from Kawacatoose First Nation and surrounding bands. Through an arrangement involving Kahkewistahaw First Nation, the Saskatchewan Indian Institute of Technologies, Southeast Regional College, the Saskatchewan Apprenticeship and Trade Certification Commission and SIAST, 10 apprentices received Carpentry Level 3 training at Kahkewistahaw First Nation.

Enrolments in SIAST courses offered online and through the Saskatchewan Communications Network exceeded 2,000, representing the largest number of SCN and online enrolments for any Saskatchewan post-secondary institution. Enrolments in distance learning opportunities (including print correspondence, video and online) topped 5,000.

Through the year, the Virtual Campus and program colleagues prepared more than three dozen courses for online delivery, bringing our complement of online courses to more than 100. Major concentrations were in Nursing, Technology, Science and Health, New Media, and Business and Entrepreneurial Studies.

Our goal is to offer full programs online, where possible and practical. For example, at the request of industry and Saskatchewan Labour, our Occupational Health and Safety Practitioner program is now available via distance delivery. The program will also be offered at Parkland Regional College in Yorkton in 2006-07. Three New Media programs are now available entirely online, and the Primary Care Nurse Practitioner program was first delivered fully online in 2005-2006. In September 2005, we delivered the first online Standard First Aid program in Canada.

We continue to increase access to programs when such a move is supported by employer need. For example, our Industrial Mechanics program was expanded to our Prince Albert campus, increasing program capacity by 14. In Saskatoon, we delivered Level 1 Bricklayer training in response to industry demand.

Our first-qualified, first-admitted admission process, while providing broad and fair access to SIAST programs, has resulted in significant waitlists for a small handful of programs, mostly in the medical diagnostics field. In January, we suspended the application process to five programs and returned most out-of-province applications to those programs. All five programs have since seen significant reductions in their waitlists. (In July 2006, we announced a review of our admission process.)

Aboriginal student recruitment and retention

Building on the First Nations visitation program introduced the previous year, our student recruitment team visited 30 predominately Aboriginal schools in 2005-2006. We also held our first counsellors' workshop for band-controlled schools and other schools with predominantly Aboriginal students.

The Science and Health Aboriginal Success Strategy (SHASS) program was extended to all programs in the division in January. In collaboration with key stakeholders, the first level of a student-to-student mentorship framework was successfully implemented and was awarded a second Health Canada grant. SHASS is working with health region partners to develop a model for a student-to-professional mentorship program.

In partnership with Northlands College and the Saskatchewan Research Council (SRC), an initiative was developed whereby Aboriginal students can complete the first year of study at Northlands College and subsequently complete the second year of our Chemical Technology diploma program in Saskatoon. SRC will provide summer employment to students, enabling them to enhance their skills and build a support structure in the city.

The Science and Health Division collaborated with the University of Saskatchewan on the first year of a five-year Natural Sciences and Engineering Research Council project aimed at engaging Aboriginal and northern students in post-secondary math and science programs.

The Nursing Education Program of Saskatchewan (NEPS) continues to have the largest number of Aboriginal students enrolled in a nursing program in Canada. More than 180 Aboriginal students were enrolled in NEPS last year.

SIAST faculty members were recognized for their outstanding achievements at a celebration hosted by the Saskatchewan Apprenticeship and Trade Certification Commission. **Dan Duperreault**, **Rick Long**, **Dalton Mervold** and **Marcia Stewart**, all faculty members in the Parts Management Technician program at SIAST Kelsey Campus, were recognized as the Outstanding Technical Training Team. The Welder team - **Gary Dahlman** and **Steve Guillaume**, SIAST Palliser Campus, and **Gary Stinson** and **Warren White**, SIAST Kelsey Campus - received an honourable mention.

A SIAST Outstanding Service Award was won by **Ron Montgomery**, audio-visual technician at SIAST Wascana Campus. (pictured)

SIAST initiatives FUEL labour market development at many essential levels.

A SIAST Outstanding Service Award was won by **Louise Hanson**, **Bonita Harris** and **Merna Ruznisky** of Beauty Culture programs at SIAST Woodland Campus. (pictured)

Volunteers at SIAST Kelsey Campus and SIAST Woodland Campus provided support to evacuees from the Red Earth First Nation when high water levels threatened their community in late winter, 2006.

Pam Farthing, a faculty member with the Nursing Education Program of Saskatchewan, received the 2006 Student of the Year award from the University of Saskatchewan College of Medicine Graduate Student Society.

Joan Patterson is an extension education consultant at SIAST's Regina campus. SIAST's extension programs attracted more than 22,000 registrations in the last academic year.

The Prince Albert Grand Council's new virtual high school received a welcome boost with the donation of more than 40 SIAST computers. Students from Deschambault, Little Red River, Southend, Stanley Mission and Hatchet Lake were working towards their high school completion through the Credenda Virtual High School.

Events across SIAST, including sweat lodges, talking circles and Louis Riel celebrations, raise awareness about First Nations and Métis culture among both Aboriginal and non-Aboriginal students and employees. Acting upon a recommendation from our Aboriginal advisory council, we began providing Elder services at all four campuses.

As a founding member of the Northern Centre of Excellence, we helped produce *Relevance*, a new publication that promotes training options in Saskatchewan. The newspaper was distributed in Saskatoon and across northern Saskatchewan. Partners include other post-secondary institutions, the Prince Albert Grand Council and Campus Saskatchewan.

Student success

Our Basic Education Division has initiated a number of programs that will increase the potential for post-secondary success by traditionally underserved populations. For example:

- Through a partnership with Nutana Collegiate in Saskatoon, SIAST Adult 12 students can access a career and work exploration course at the school.
- In Moose Jaw, a Real Employment program initiated at SIAST Palliser Campus helps students address barriers to employment.
- A group of Aboriginal students at SIAST Woodland Campus participated in a 15-week language-enhancement course that focused on technical language skills. The students were unanimous in their endorsement of the course.
- Appropriate entry-level language benchmarks were identified for English as a Second Language learners, and ESL learner support services were developed for implementation in 2006-07.

Under the leadership of SIAST Nursing faculty member Judy Boychuk Duchscher, a new program was established to mentor new graduates. This innovative initiative is supported by Saskatchewan Health and other partners.

An online student success planning tool was finalized and implemented

this year. The tool includes personal-, academic- and career-readiness segments.

Our development and alumni department held inaugural fundraising events at SIAST Wascana and SIAST Woodland campuses in support of student scholarships. Records fell when the Kelsey Lobster Feast and Celebrity Roast raised $21,000 for scholarships, and the 26th annual Palliser Business and Industry Dinner sold out with 420 guests and raised $12,500.

Employees and students dug deep, contributing $17,000 through the second annual Change for the Better initiative.

With the support of private sector donations, the Centennial Merit Scholarship program, through which the provincial government provides matching dollars, resulted in more than $476,000 in scholarships being awarded to 167 students.

Business and industry also continued to support programs with equipment donations and loans. Last year, for example, more than $4-million worth of equipment was loaned to our Agricultural Machinery Technician program, which enabled us to provide training on equipment featuring advanced computer systems and software.

Employee renewal and retention

Moving toward a representative workforce and recruiting new employees as our current workforce ages are priorities at SIAST. We must also ensure that our employees are properly trained to respond to the ever-changing environment in which we operate.

Various initiatives were undertaken at local, provincial and national levels by our human resources team to further our representative workforce strategy, including an Aboriginal employee gathering that enabled participants to discuss a range of issues important to their employment at SIAST. In addition to sponsoring and providing speakers for the Provincial Aboriginal Representative Workshop conference, we sponsored the Networks of Change initiative being developed and led by the Aboriginal Human Resource Development Council of Canada.

Employees were supported throughout the year in a range of professional development activities related to their particular specialties. In topics related to technology, Virtual Campus trainers conducted more than 700 training sessions with faculty and staff across all campuses. Our human resources department also provided extensive employee

Sandra Bassendowski, a Nursing Education Program of Saskatchewan faculty member, received a strategic priorities grant of $50,000 over three years from the Saskatchewan Health Research Foundation for her project *Building Capacity with Aboriginal Community Based Health Research: A Partnership with Regina Métis Sports and Culture Inc.* (pictured)

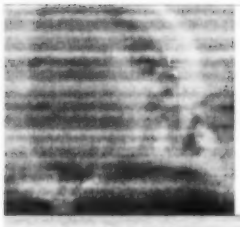
Larry Fladager, campus director at SIAST Woodland Campus, was elected to a two-year term on the Prince Albert Regional Economic Development Authority.

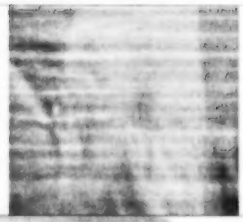
Our expanding distance delivery options ACCELERATE training opportunities in the province.

Lt. Gwen Bourque, a programmer analyst at SIAST Administrative Offices and a 12-year army reservist, went on assignment with the Civil Military Cooperation Task Force, ORION Provincial Reconstruction Team in Kandahar, Afghanistan. (pictured)

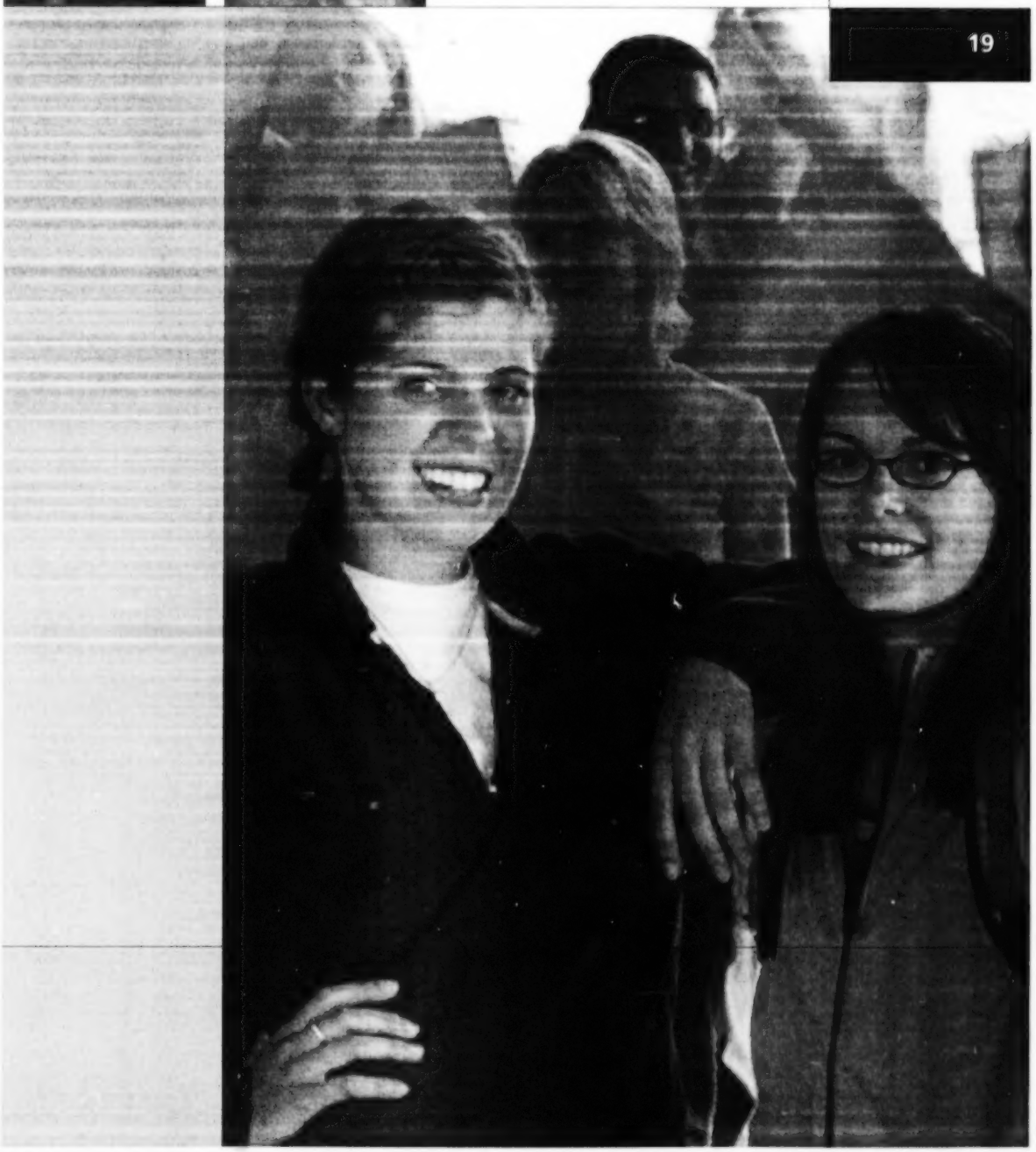
Nairn Gillies, an interpreter for the Deaf and Hard of Hearing program at SIAST Kelsey Campus, received a certificate of commendation from the Governor General's office for braving a fire in 2003 to save another person's life.

Duane Guy, with the SIAST Information Technology Services helpdesk, received the Sarah Staples Award. The award was given in acknowledgement of Duane's outstanding contributions to SIAST Palliser Campus.





Angela Thomson (left), Heather Gasier and their classmates represent the first cohort of the Nursing Education Program of Saskatchewan Second Degree Entry Option.



development opportunities. The first of four learning commons areas were established at SIAST Kelsey and Palliser campuses to promote collegiality and mentoring of faculty.

Activities undertaken by our Quality Learning Organization (QLO) Partners' Network included a series of brown bag QLO "launches" for students and employees, and development of an online communications vehicle. The network approved funding for 15 grassroots proposals. These included a community health workshop co-funded with the Nursing Division. Facilitated by Ernest Stringer from Curtin University West Australia, the workshop was attended by a variety of SIAST faculty, University of Regina students and faculty, and colleagues from regional health authorities.

Providing employee development opportunities continues to be a key benefit of our international activities. In one of the most significant International Services developments last year, CIDA (the Canadian International Development Agency) gave SIAST the green light to lead a $2.7-million training project in Vietnam. SIAST's partners on the four-year project include the Fisheries and Marine Institute of Memorial University and Agriteam Canada Consulting Ltd. The aim is to improve incomes of rural communities through the delivery of extension training services.

International Services has also been pursuing opportunities to broker programs abroad, successfully negotiating contracts with Vietnamese and Indian institutions. In addition, an agreement was reached that will enable graduates of our Business diploma program delivered abroad to apply for advanced standing in a business degree program at Athabasca University.

Relationships

Where possible, we work with partners to accomplish more than our individual organizations could hope to achieve alone. In addition to such practical efficiencies, these arrangements also fulfill important relationship-building functions.

For example, SIAST's Biotechnology program faculty partnered with the University of Saskatchewan to host the second Saskatchewan Junior Biology Science Camp, a precursor to the International Biology Olympiad that will be held at SIAST Kelsey Campus in Saskatoon in July 2007.

SIAST and the University of Saskatchewan also recently hosted a very successful conference of Canadian Banner system users. (Banner is a higher education

information management system.) The conference provided an excellent opportunity to develop and strengthen relationships between our two institutions and with colleges and universities across Canada. More then 400 people attended the conference.

Our Virtual Campus contributed course modules to the Campus Saskatchewan instructor/facilitator project, which will support first-time online instructors at Saskatchewan post-secondary institutions.

The Regina Qu'Appelle Health Region collaborated with our Nursing Division's extension services on a training plan that will enable more than 500 practical nurses to expand their scope of practice.

We renewed a partnership with the Dumont Technical Institute. The partnership enhances access of Métis students to skills training and supports joint planning by our two institutions.

SIAST as a first-choice institution

SIAST's centennial road crew wrapped up a 12-week, 39-event, 20,000-kilometre promotional tour of Saskatchewan at the end of August 2005. The crew – a SIAST student and recent grad – joined our Marketing and Communications department through the provincial government's Centennial Summer Student Program. Travelling by SIAST PT Cruiser, they raised our profile at rodeos, fairs and concerts, and at a kite festival, car race and air show. The road crew dodged hail, sampled deep-fried Mars bars and saw Elvis – all in the line of duty.

Later in the fiscal year, publicity created the perception that applicants to many of our programs face lengthy waits. We provided a reality check through a multi-media advertising campaign that promoted program opportunities.

The following individuals received the Commemorative Medal for the Centennial of Saskatchewan: **Christine Boyczuk**, SIAST board chair; **Denis Caron**, dean of industrial training; **Lucie Clark**, instructor in the Chemical Technology program at SIAST Kelsey Campus; **Charlotte Ehwert** (pictured), library technician, SIAST Wascana Campus; **Larry Fladager**, campus director, SIAST Woodland Campus; **John Foster**, program head in Basic Education, SIAST Woodland Campus; **Rod Goertzen**, program head in Basic Education, SIAST Kelsey Campus; **Glenys Hanson**, director, institutional affairs; **Judy Layne**, dean of Science and Health; **Elaine McNeil**, project coordinator, International Services; **Dr. Bob McCulloch**, SIAST president and CEO; **Gary Mearns**, associate vice-president, human resources; **Claude Naud**, senior vice-president, programs;

SIAST Student **Statistics**

Note: 2005-2006 student statistics will be available on SIAST's website, www.goSIAST.com, under "About→Reports→Annual Reports" after November 1, 2006.

Enrolment figures by full-load equivalent (FLE)[1]

FLE enrolment	2004/05	2003/04
Program enrolment		
Basic Education	1,650	1,655
Apprenticeship	2,474	2,463
Certificate/Diploma	4,825	4,860
Extention credit programs[2]	1,331	1,226
Total program enrolment	**10,280**	**10,204**
Course registration enrolment		
Credit[3]	1,593	1,719
Non-credit	852	788
Total course registration enrolment	**2,445**	**2,507**
Future Skills	**622**	**641**
Total FLE enrolment	**13,347**	**13,352**

Number of graduates

	2004/05	2003/04	2002/03	2001/02	2000/01
Diploma	893	866	750	850	844
Certificate[4]	3,427	3,042	3,126	3,040	2,882
Total	**4,320**	**3,908**	**3,876**	**3,890**	**3,726**

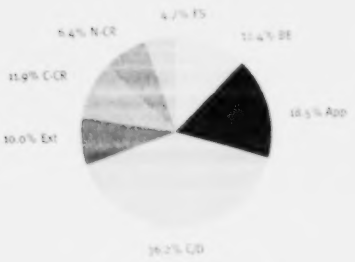
[1] In 2002, SIAST adopted full-load equivalent (FLE) as the standard measure for enrolment reporting. FLE is a method of counting enrolled students by converting all registrations according to predetermined formulas that are inclusive of all types of training activity at SIAST.
[2] SIAST certificate programs delivered through regional colleges are included in extension credit programs.
[3] Individual credit course registrations include students who have not been admitted into a SIAST credit program.
[4] Certificate programs include applied certificates, certificates and advanced certificates.

Kim Orynik, PLAR coordinator; **Noel Selinger**, former campus director, SIAST Wascana Campus; **Don Shanner**, campus director, SIAST Palliser Campus; **Rita Seipp**, program head of Occupational Health and Safety Practitioner program at SIAST Kelsey Campus; and **Myrna Yuzicapi**, Aboriginal student counsellor at SIAST Kelsey Campus and co-chair/Okimawa of the SIAST Aboriginal Council.

Anita Cool Strickland of SIAST Palliser Campus received a Volunteer Recognition Award from the Canadian Association for Cooperative Education. (pictured)

Evan Hogg, a third-year Carpentry apprentice, and **Skyler Jones**, an Architectural Technologies student, both at SIAST Palliser Campus, won gold in the national Skills Canada competition in Halifax. **Evan** was coached by **Cory Mohr**, now a SIAST instructor, who also won gold twice himself.

Program enrolment by FLE
2004-2005



Program enrolment FLE* 13,347

SIAST Kelsey Campus
FLE total 5,307

SIAST Wascana Campus
FLE total 3,099

SIAST Palliser Campus
FLE total 3,061

SIAST Woodland Campus
FLE total 1,880

SIAST Student **Statistics**

SIAST programs

Number of programs[1]

	2004/05	2003/04	2002/03	2001/02
Diploma	52	51	52	51
Certificate	121	114	112	123
Apprenticeship	27	27	27	27
Total	200	192	191	201

Education equity participation (%)

Designated Groups of Students	2004/2005 SIAST Participation Rates: All Programs (Certificate/Diploma, Basic Education, & Apprenticeship programs)	Certificate/ Diploma Programs
Persons of Aboriginal ancestry	18.8%	15.3%
Persons with disabilities	4.9%	5.3%
Persons of visible minorities	2.7%	2.7%
Female students	44.8%	56.2%

Total number of programs does not include the Nursing Education Program of Saskatchewan (NEPS).
Certificate programs included applied certificates, certificates and advanced certificates.

SIAST Workforce Statistics – full-time equivalent (FTE) totals

July 1, 2005, to June 30, 2006, and July 1, 2004, to June 30, 2005

	Academic		Admin support		Out-of-scope		Total	
	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05
Kelsey	381.09	365.11	129.47	121.29	14.51	13.80	525.07	500.20
Palliser	192.01	203.39	81.07	81.93	10.07	10.27	283.15	295.59
Wascana	235.01	234.45	120.11	115.81	12.12	12.19	367.24	362.45
Woodland	137.76	150.49	79.71	77.67	9.19	8.01	226.66	36.17
Admin Offices	3.26	2.48	49.80	44.23	36.26	33.16	89.35	79.92
Totals	**949.16**	**955.92**	**460.16**	**440.98**	**82.15**	**77.43**	**1,491.47**	**1,474.33**

Financials

Mary Delanghe, program head, Continuing Care Assistant program, received the 2006 Regina YWCA Woman of Distinction Award for Education for her efforts as a volunteer. (pictured)

The **Kelsey Students' Association** held a charity breakfast, a poker tournament and a clothing drive for the Saskatoon food bank, raising close to $3,000 and 500 pounds of food in 2005-06.

Lori Knight, instructor in Health Information Management, SIAST Wascana Campus, was appointed to the national exam committee of the Canadian Health Information Management Association.

Management Discussion **and Analysis**

Operating environment

SIAST contributes to economic growth and prosperity in Saskatchewan by developing skilled workers and delivering technical training programs that respond robustly to the needs of business, industry and the labour market. The gradual, but on-going decline in provincial population, the decreased pool of sequential students and the shortage of skilled workers continue to challenge policy, business, industry and academic leaders. Further, the fundamental shift from a labour-intensive, agricultural-based economy to a technology-intensive, resource-based economy has significantly altered labour market requirements.

Financial performance (in thousands of dollars)

In 2005-2006, SIAST experienced an excess of expenses over revenues of $1,356. This deficit was mainly due to the operating grant not increasing at a level sufficient to fund unexpected salary increases resulting from the collective agreement. We addressed this issue through internal budgetary constraints and by using operating net assets accumulated in previous years.

Highlights: Actual 2006 compared to 2005 (in thousands of dollars)

- Excess of expenses over revenue for 2006 was $1,356 as compared to a surplus of $1,261 in 2005.
- Grants increased by $9,983 or 10.4% as a result of provincial government increases to the operating and facilities grant.
- Contractual services revenue increased by $1,219 or 6.2%, mainly from increased Workers' Compensation Board seat sponsorship and apprenticeship training.
- Salaries and benefits expenses increased by $7,572 or 8.0%, mainly due to increased collective bargaining costs including pay equity costs.
- Facilities rental expenses increased by $4,964 or 24.9% as a result of increased charges by Saskatchewan Property Management.
- Total assets increased by $484 or 0.9%.
- Total liabilities increased by $1,787 or 5.8%.
- Net assets decreased by $1,303 or 5.9%.

Bev Houk received the SIAST Kelsey Campus Instructor Excellence Award from the Kelsey Students' Association. (pictured)

Kelly Pihach, an extension student at SIAST Wascana Campus, placed third nationally among 2,404 participants in the Canadian Payroll Advanced Payroll Class.

Stephanie Thompson, extension education consultant, SIAST Kelsey Campus, received an award from Campus Saskatchewan for Excellence in Technology Enhanced Learning: Collaborative Design and Development.

Management Discussion **and Analysis**

Highlights: Plan 2006 (in thousands of dollars)

Excess of expenses over revenue for 2006 was $1,356 compared to the planned breakeven bottom line. The main areas of variation from the plan follow:

- Grant revenues exceeded plan by $1,137 or 1.1% mainly due to increases in the operating and facilities grant funding received in the 2006-2007 provincial budget. These increases came into effect three months prior to SIAST's year-end.
- Contractual services revenue exceeded plan by $2,129 or 11.3% due to increased apprenticeship, international, federal and skills initiatives training. These revenue increases were partially offset by reduced extension and cost recovery training in several program areas.
- Tuition and fees were $984 or 4.9% less than plan mainly due to enrolment shortfalls in various Community Services, Industrial and Business division core programs.
- Salaries and benefits exceeded plan by $2,190 or 2.2% due to an unexpected increase in collective bargaining costs, increased apprenticeship training activity and unanticipated severance payments. Additional offsetting variations from the plan include vacancy savings due to difficulties in the recruitment and retention of staff in several programming areas and reduced enrolments in various core programs.
- Facilities rentals exceeded plan by $426 or 1.7% due to the increased charges by Saskatchewan Property Management.
- Services costs exceeded plan by $1,199 or 12.4% due to an unanticipated increase in international training projects, an increase in advertising and additional software purchases.
- Travel costs exceeded plan by $292 or 8.4% mainly due to an increase in International Services contracts.

Highlights: Plan 2007 (in thousands of dollars)

A $389 deficit budget is projected for 2007. The main areas of anticipated change are:

- Operating and facility grants are projected to increase by $6,689 or 6.3% mainly as the result of increases in the 2006-2007 provincial budget.
- Contractual revenues are expected to decrease by $1,952 or 9.3% mainly due to reductions in regional college, private and apprenticeship contractual training.
- Tuition and fees are expected to increase by $1,143 or 6.0% due to an increase in core tuition rates and increased fee-payer cost-recovery training.
- Salaries and benefits are expected to increase by $3,761 or 3.7% due to increased collective bargaining agreement costs and program enhancements.
- Facilities rental expenses are expected to increase by $1,388 or 5.6% due to increased Saskatchewan Property Management charges.
- The $389 deficit is related to financing the 2005-2006 major capital projects from the accumulation of our previous net surpluses.

Capital spending summary

In 2005-2006, we made purchases of capital assets totaling $9.4 million, which were funded via operating funds designated for capital replacement, provincial capital funding and accumulated net surpluses. The majority of the capital expenditures were made to replace equipment, technology and books, and to improve facilities used in the training of students. Highlighted examples of these purchases include the industrial mobile training lab and the SIAST Kelsey Campus capital expansion project.

Risk management

We continue to use an enterprise risk management (ERM) approach to identify and prioritize risks and opportunities. A revised ERM framework was approved by the SIAST board of directors in 2005-2006 to ensure a methodology that adds value and that is transparent, regular, standardized, consistently communicated and proactive. The new framework continues to optimize our ability to plan for and manage risks, identify opportunities to improve performance, and make better decisions based on the risk, population and priorities. Examples of where risk management resources and efforts are focused to ensure we can carry out our business plan follow:

- Union and management relationships.
- Government relations.
- Funding.
- Facility development.
- Staff recruitment and retention.
- Student recruitment.
- Increased reliance on technology.
- Effective governance.
- Partnerships.
- Competitive advantage.
- Effective and timely data transformation.
- Business continuity planning.

Outlook 2006-2007 and beyond

Priorities

SIAST's key priorities focus on the overall effectiveness and responsiveness of Saskatchewan's training system in meeting the labour needs of employers, industry, learners and communities today and into the future. Our success in this unique time will be determined by program excellence, flexibility and creativity in training delivery, innovative use of technology, and the development of new alliances.

We intend to address these priorities through:

- *Institutional responsiveness.* SIAST's program offerings, enrolment opportunities and training facilities must be flexible, adaptable and responsive to ever-changing training requirements. In addition, we will invest in innovative technologies to expand our provincial reach in developing, delivering and maintaining an expanding array of program offerings and services.
- *Employee renewal.* In this period of high turnover and transition among faculty and staff, SIAST's efforts will centre on providing well-integrated development programs for new employees, achieving a representative workforce, and exploring creative employee recruitment and retention initiatives.
- *Facility development.* The thrust of planned construction and redevelopment projects will be to address inadequate facilities and a serious shortage of prime instructional space; health, safety and code non-compliance issues; and the replacement of obsolete labs and shop equipment.
- *Aboriginal education and participation.* We believe that increased Aboriginal education and training access and success are key to the future viability of the Saskatchewan economy and society. In addition to the important role of the SIAST Aboriginal Council, we have in place and continue to develop many initiatives to foster learning, student success and student retention.
- *Partnerships.* SIAST is committed to enhancing relationships with regional colleges, the Saskatchewan Apprenticeship and Trade Certification Commission and other partners to ensure that the training system operates as a comprehensive and well-understood entity. In particular, increasing training opportunities across the province, supporting the development of a provincial technology-enhanced learning (TEL) plan and advancing the scope of prior learning initiatives will be given a high priority.

Ron Mang, an instructor in the English as a Second Language (ESL) program at SIAST Wascana Campus, developed a unit to help learners with social language development. Ron presented his work at an ESL conference in Toronto and provided several workshops for instructors at SIAST and at Regina agencies.

Keith Martell, then a SIAST board member, was recognized by the Sask Business Report as one of the 2006 Men of Influence in Saskatchewan. (pictured)

Elaine McNeil, project coordinator, International Services, received the Canadian Bureau for International Education Internationalization Service Award. Elaine also received the University of Regina Alumni Award for Lifetime Achievement.

Challenges and opportunities

- *Facility development.* Securing funds to sustain a multi-year construction and redevelopment project as well as a major equipment recapitalization project.
- *Organizational effectiveness.* Enhancing the quality of SIAST's programs, expanding faculty and staff preparation and skills, increasing off-campus programs, stretching capacity, advancing the depth of a learning culture and increasing student participation in the on-going and future development of SIAST is required for improved organizational effectiveness.
- *Staff recruitment and retention.* Faced with an aging workforce, an increasing retirement rate and a growing demand for initial employee development training, the implementation of an effective succession plan and competitive compensation offerings are critical. With more than half of SIAST employees between the ages of 40 and 54, we expect to lose 5% of our employees annually through retirement.
- *New opportunities.* Large development projects in the resource sector and a dramatic increase in the need for skilled workers in areas such as mining, construction and related trades, transportation, nursing, and health-related occupations will require dramatic changes to program requirements and delivery modes.
- *Youth training.* In preparing Saskatchewan youth to take their place in tomorrow's skilled labour force, we will promote career awareness of trades and technology sectors, and will pay special attention to engaging Aboriginal youth.

Gary Mearns, associate vice-president, human resources, was named to the executive committee of the Council of Human Resource Executives (West), a network of human resources executives affiliated with the Conference Board of Canada. (pictured)

Bonnie Meier, program head, Pharmacy Technician, SIAST Kelsey Campus, was appointed to the board of directors, Canadian Pharmacy Technician Educators' Association.

Bette Mueller, a Basic Education instructor at SIAST Palliser Campus, received the first Palliser Campus Recreation staff award for her involvement in the development and delivery of wellness activities.

Key financial results and data (in thousands of dollars)

	2005 Actual	2006 Plan	2006 Actual	2007 Plan
Operations				
Excess (deficiency) of revenue over expenses	$ 1,261	$ 0	$(1,356)	$ (389)
Grants	96,318	105,164	106,301	112,990
Contractual services	19,763	18,853	20,982	19,030
Tuition and fees	19,190	20,185	19,201	20,344
Sales	6,384	6,897	6,461	6,148
Salaries and benefits	94,097	99,479	101,669	105,430
Facilities rental	19,927	24,465	24,891	26,279
Materials and supplies	8,996	9,261	9,284	8,943
Services	9,558	9,668	10,867	9,731
Amortization	5,525	5,478	5,326	5,784
Travel	2,963	3,491	3,783	3,812
Balance Sheet				
Operating net assets	11,021	6,636	5,931	1,710
Total assets	52,967	50,709	53,451	52,096
Total liabilities	30,729	28,970	32,516	31,550
Net assets	22,238	21,739	20,935	20,546

Management **Report**

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise because they include certain amounts based on estimates and judgments. Management has ensured that the financial statements are presented fairly in all material respects. The financial information presented elsewhere in the annual report is consistent with that in the financial statements.

Management has ensured that the organization is in compliance with the provisions of legislation and related authorities.

Management maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that assets are appropriately accounted for and adequately safeguarded.

The board of directors of SIAST is responsible for reviewing and approving the financial statements and, primarily through its audit committee, ensures management fulfills its responsibilities for financial reporting.

The audit committee is appointed by the board and is composed of directors who are not employees of SIAST. The audit committee meets periodically with management and with external auditors to discuss internal controls, auditing matters, and financial and reporting issues to satisfy itself that each party is properly discharging its responsibilities. The audit committee reviews the financial statements and the external auditors' report and also considers, for approval by the board, the engagement or reappointment of the external auditors. The audit committee reports its findings to the board for its consideration when approving the financial statements for issuance.

The financial statements have been audited by Deloitte & Touche LLP and the Provincial Auditor of Saskatchewan in accordance with Canadian generally accepted auditing standards. Deloitte & Touche LLP and the Provincial Auditor of Saskatchewan have full and free access to the audit committee.

Dr. Robert G. McCulloch
President & CEO
August 4, 2006

Kathryn Beaton
Vice-President,
Administrative Services
August 4, 2006

Cheryl McMillan
Associate Vice-President,
Financial Services
August 4, 2006

Auditors' **Report**

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF SASKATCHEWAN INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY

TO THE MEMBERS OF THE LEGISLATIVE ASSEMBLY

We have audited the statement of financial position of Saskatchewan Institute of Applied Science and Technology ("SIAST") as at June 30, 2006 and the statements of operations, changes in net assets and of cash flows for the year then ended. SIAST is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of SIAST as at June 30, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP
Chartered Accountants
Saskatoon, Saskatchewan
August 4, 2006

G. Fred Wendel
Provincial Auditor
Regina, Saskatchewan
August 4, 2006

Kelly Nelson, facilities coordinator at SIAST Wascana Campus, received an Outstanding Technical Achievement Award from the Saskatchewan Applied Science Technologists and Technicians.

The **Palliser Students' Association** and the Park Hotel in Moose Jaw raised $750 for the Hurricane Katrina relief fund. The funds were donated to the Red Cross. The students' association also supports Shine-a-Rama (shining shoes and washing cars to raise money for cystic fibrosis), the Palliser Peanut Butter Push for the food bank and Telemiracle. (pictured)

Statement of **Financial Position**

June 30, 2006 with comparative figures for 2005
(in thousands of dollars)

	2006	2005
Assets		
Current assets:		
Cash and short-term investments (note 3)	$ 15,606	$ 17,075
Accounts receivable (note 4)	5,361	7,198
Inventories (note 5)	1,180	1,530
Prepaid expenses	558	320
	22,705	26,123
Long-term investments (note 6)	1,643	1,642
Capital assets (note 7)	29,103	25,202
	$ 53,451	$ 52,967
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 4,785	$ 2,500
Salaries and benefits payable	6,797	5,220
Unearned revenue (note 8)	3,461	3,196
Deferred grants (note 9)	1,586	3,951
Current portion of obligation under capital leases (note 10)	185	188
	16,814	15,055
Obligation under capital leases (note 10)	71	256
Deferred contributions (note 11):		
Capital	14,555	14,200
Scholarship and other trust funds	1,076	1,218
	32,516	30,729
Net assets:		
Net assets invested in capital assets	14,292	10,558
Net assets restricted for endowment (note 12)	712	659
Operating net assets	5,931	11,021
	20,935	22,238
	$ 53,451	$ 52,967

Commitments (note 13)
See accompanying notes to financial statements.

On behalf of the board:
Wil Olive, Chair
Sherry Magnuson, Audit Committee Chair

SIAST instructors Doug Rempel, Accountancy; Frank Veresh, Civil/Environmental/Water Resources; and Greg Wheler, Architecture and Building Technologies, were each recipients of the 2006 Excellence in Teaching Awards.

SIAST graduate **Lynda Richards** received the Saskatchewan Council of the Federation Premier's Literacy Award.

Judy Layne, dean of Science and Health, was appointed chair of the National Collaborative Forum on Allied Health. She was also made a member of the Canadian Medical Association board of directors' conjoint committee on accreditation. (pictured)

Statement **of Operations**

Year ended June 30, 2006, with comparative figures for 2005
(in thousands of dollars)

	2006 Budget	2006 Actual	2005 Actual
Revenue:			
Grants	$ 105,164	$ 106,301	$ 96,318
Contractual services	18,853	20,982	19,763
Tuition and fees	20,185	19,201	19,190
Sales	6,897	6,461	6,384
Amortization of deferred capital contributions	2,098	2,120	1,777
Investments	597	962	691
Donations	566	565	594
Rentals	89	110	139
	154,449	**156,702**	**144,856**
Expenses:			
Salaries and benefits	99,479	101,669	94,097
Facilities rental	24,465	24,891	19,927
Materials and supplies	9,261	9,284	8,996
Services	9,668	10,867	9,558
Amortization	5,478	5,326	5,525
Travel	3,491	3,783	2,963
Equipment rental and repairs	1,668	1,349	1,675
Scholarships and donations	939	969	755
Loss (gain) on disposal of capital assets	-	(80)	99
	154,449	**158,058**	**143,595**
Excess (deficiency) of revenue over expenses	$ -	$ (1,356)	$ 1,261

See accompanying notes to financial statements.

Statement of Changes **in Net Assets**

Year ended June 30, 2006 with comparative figures for 2005
(in thousands of dollars)

	Invested in Capital Assets	Operating Net Assets	Restricted for Endowment	2006 Total	2005 Total
Balance, beginning of year	$ 10,558	$ 11,021	$ 659	$ 22,238	$ 20,901
Excess (deficiency) of revenue over expenses	(3,126)	1,770	-	(1,356)	1,261
Endowment contributions	-	-	53	53	76
Invested in capital assets	6,860	(6,860)	-	-	-
Balance, end of year	**$ 14,292**	**$ 5,931**	**$ 712**	**$ 20,935**	**$ 22,238**

See accompanying notes to financial statements.

Statement of **Cash Flows**

Year ended June 30, 2006 with comparative figures for 2005
(in thousands of dollars)

	2006	2005
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	$ (1,356)	$ 1,261
Items not affecting cash:		
Amortization of capital assets	5,326	5,525
Amortization of deferred capital contributions	(2,120)	(1,777)
Change in non-cash working capital (note 15)	3,711	(2,922)
Loss (gain) on disposal of capital assets	(80)	99
Cash provided by operating activities	**5,481**	**2,186**
Financing and investing activities:		
Purchase of capital assets	(9,442)	(5,950)
Contributions for capital assets purchased	2,475	2,528
Increase in obligation under capital leases	-	53
Repayments of obligation under capital leases	(188)	(196)
Proceeds from sale of capital assets	295	44
Change in scholarship and other trust fund deferred contributions	(142)	54
Endowment contributions	53	76
Increase in long-term investments	(1)	(153)
Cash used in financing and investing activities	**(6,950)**	**(3,544)**
Net decrease in cash and short-term investments	**(1,469)**	**(1,358)**
Cash and short-term investments, beginning of year	17,075	18,433
Cash and short-term investments, end of year	**$ 15,606**	**$ 17,075**

See accompanying notes to financial statements.

Barb Robinson, program head, Chemical Dependency Worker, received the Angus Campbell Award for Excellence in the Addictions Field. This award recognizes her outstanding contributions made to the addictions field.

Verna Schneider, student employment services, SIAST Woodland Campus, received a Prince Albert YWCA Women of Distinction Award for recreation, sports and active living. (pictured)

SIAST Palliser Campus students in Architecture, Carpentry and Masonry helped build the Centennial Time Capsule in Crescent Park and the Memorial Cairn that commemorates the 1954 Moose Jaw air tragedy.

Year ended June 30, 2006
(in thousands of dollars)

1. **Statutory authority:**

Saskatchewan Institute of Applied Science and Technology (SIAST) was established as a public educational corporation by the Legislative Assembly of Saskatchewan under *The Institute Act* and is continued under *The Saskatchewan Institute of Applied Science and Technology Act*.

2. **Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Revenue recognition:
SIAST follows the deferral method of accounting for grants and other contributions. Grants and contributions for expenses of future periods are deferred and recognized as revenue in the year in which the related expense is incurred.

Grants for capital assets are deferred and recognized as revenue on the same basis as the acquired capital assets are amortized.

Contributions, including investment income, to scholarship and other trust funds are deferred and recognized as revenue in the year in which the conditions of the contribution are met.

Endowment contributions are recognized as direct increases in net assets in the year received.

Amounts received for tuition fees, contractual services, and sale of goods and services are recognized as revenue in the year that the goods are delivered or the services are provided.

b) Inventories:
Inventories consist of merchandise and supplies held for resale and are valued at the lower of cost and net realizable value. Administrative and program supplies and library periodicals are not inventoried.

c) Capital assets:
Purchased capital assets are recorded at cost. Donated capital assets are recorded at fair market value upon receipt with an offsetting amount recorded to deferred contributions–capital.

The **SIAST Nursing Division** team received the 2006 Saskatchewan Registered Nurses' Association Award for Leadership in Nursing Education.

Donna King, Dental Hygiene instructor at SIAST Wascana Campus, was elected president of the National Dental Hygiene Certification Board. (pictured)

The **SIAST Nursing Division** and the **SIAST Virtual Campus** received the 2006 award for Excellence and Innovation in Instructional Design from the Canadian Association of Distance Education (CADE). This is the second CADE award for Instructional Design that SIAST has won in three years.

Year ended June 30, 2006
(in thousands of dollars)

2. Significant accounting policies (continued):

Amortization is charged to operations on the straight-line basis over the following estimated useful lives of the assets:

Asset	Period
Computer equipment	3 and 4 years
Office equipment, specialized equipment and library	5 years
Vehicles	8 years
Furniture	10 years
Industrial and heavy equipment	10 years
Leasehold improvements:	
SPM owned properties	15 years
Other properties	Lease term

Effective July 1, 2005, the estimate of the useful life of general purpose desktop and laptop computers was increased from three to four years to reflect past experience and SIAST's computer replacement schedule. This change in estimate resulted in amortization expense for the year being $417 less than it would have been had the change not been made.

d) Short-term investments:
Short-term investments are stated at cost, which approximates market value.

e) Long-term investments:
Long-term investments consist of pooled investment funds valued at market value and various equities, bonds and cash equivalents valued at cost, which approximates market value.

f) Use of estimates:
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions regarding the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses for the year. Actual amounts may differ from these estimates.

Year ended June 30, 2006
(in thousands of dollars)

3. Cash and short-term investments:

Short-term investments generally consist of federally or provincially guaranteed money market instruments maturing within one year. The weighted average effective interest rate on these securities is 3.79% (2005 - 2.69%).

	2006	2005
Cash	$ 718	$ 467
Short-term investments	14,888	16,608
	$ 15,606	**$ 17,075**

4. Accounts receivable:

	2006	2005
Student	$ 178	$ 164
Corporate	1,342	791
Federal government	1,406	695
Provincial government - General Revenue Fund	2,179	4,852
Other	256	696
	$ 5,361	**$ 7,198**

5. Inventories:

	2006	2005
Bookstores	$ 1,037	$ 1,392
Food services	72	72
Shop and service supplies	71	66
	$ 1,180	**$ 1,530**

6. Long-term investments:

Endowment and long-term trust funds are held in a diversified portfolio consisting of individual equities, mutual funds, individual bonds and cash equivalents. The rate of return for the portfolio in 2006 was 5.25% (2005 - 7.13%).

Year ended June 30, 2006
(in thousands of dollars)

6. Long-term investments continued:

	2006	2005
Equities	$ 443	$ 446
Pooled investment funds	674	640
Bonds	413	390
Cash equivalents	113	166
	$ 1,643	**$ 1,642**

7. Capital assets:

			2006	2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	$20,061	$ 7,292	$ 12,769	$ 11,183
Industrial and heavy equipment	21,523	14,584	6,939	5,613
Computer equipment	15,618	12,158	3,460	3,083
Office equipment, specialized equipment and library	12,745	9,624	3,121	2,634
Furniture	4,122	2,014	2,108	1,825
Vehicles	3,574	2,868	706	864
	$ 77,643	**$ 48,540**	**$ 29,103**	**$ 25,202**

The net book value of assets under capital lease was $243 (2005 - $411).

8. Unearned revenue:

	2006	2005
Tuition and fees	$ 1,014	$ 978
Contractual services	731	564
Grants - operations and rent	1,285	928
Other	431	726
	$ 3,461	**$ 3,196**

The **SIAST Woodland Campus** campus director's office was named Sponsor of the Year by the Woodland Students' Association for support of its initiatives.

Lisa Siemens, a Veterinary Technology student at SIAST Kelsey Campus received The Equine Welfare Steward of the Future award at the first annual Awards of Distinction in Equine Health and Welfare. The award was handed out by the Farm Animal Council of Saskatchewan and the Saskatchewan Horse Federation.

Lucy Lee, instructor in Medical Diagnostics, SIAST Kelsey Campus, was invited to give her presentation entitled Journey to Everest Base Camp to SIAST students and staff, and to people from the Saskatchewan Society for Medical Laboratory Technology and the Saskatoon Health Region. (pictured)

Year ended June 30, 2006
(in thousands of dollars)

9. Deferred grants:

	TEL	Skills Training	Capital Assets	2006 Total	2005 Total
Balance, beginning of year	$ 1,184	$ 497	$ 2,270	$ 3,951	$ 2,636
Grants received during the year	960	1,324	162	2,446	6,127
Recognized during the year	(1,004)	(1,559)	(2,248)	(4,811)	(4,812)
Balance, end of year	**$ 1,140**	**$ 262**	**$ 184**	**$ 1,586**	**$ 3,951**

Technology-enhanced learning (TEL) deferred grants represent the unspent portion of funding received from the Department of Advanced Education and Employment (AEE) that is restricted to projects that extend access and enhance program quality in post-secondary education through effective use of technologies.

Skills training deferred grants represent unspent grants that are restricted to the skills training initiatives for which AEE provides funding to enable SIAST to respond regionally to emerging skills shortages.

Capital assets deferred grants represent unspent funding restricted to the purchase of capital assets.

10. Obligation under capital leases:

	2006	2005
Balance, beginning of year	$ 444	$ 587
Repayments during the year	(188)	(196)
Additions during the year	-	53
Total	256	444
Less current amount	**185**	**188**
Long-term amount	**$ 71**	**$ 256**

Minimum lease payments under the capital leases, including interest, are as follows:

2007	$ 201
2008	37
2009	21
2010	11
2011	11
Total minimum lease payments	281
Less amount representing future interest	25
Net obligation under capital leases	$ 256

Interest rates on the leases range from 4.5% to 11.4%. Interest expensed during the year amounted to $25 (2005 - $40).

Wascana Campus Students' Association raised money for S.A.F.E., the Student Assistance Fund for Emergencies, which provides emergency food vouchers to students in dire straits. The students' association also organized a blood donor clinic on campus.

Heather West, academic director, library services, was named the Post-Secondary Education Library Director on the Saskatchewan Libraries Multitype Library Board. (pictured)

Lori Wilson, a Basic Education student at SIAST Kelsey Campus, and **Sally Greenough**, a Basic Education instructor at Kelsey, each received a 2005 Saskatchewan Literacy Award of Merit.

Year ended June 30, 2006
(in thousands of dollars)

11. Deferred contributions:

The balance is made up of the following:

a) Capital

Deferred contributions related to capital assets represent the unamortized portion of grants expended for capital assets.

		2006		2005
Balance, beginning of year	$	14,200	$	13,449
Amortization of deferred capital contributions		(2,120)		(1,777)
Contributions for capital assets purchased		2,475		2,528
Balance, end of year	**$**	**14,555**	**$**	**14,200**

b) Scholarship and other trust funds

Deferred scholarship and other trust fund contributions represent unexpended funds externally restricted for scholarships and other purposes.

		2006		2005
Balance, beginning of year	$	1,218	$	1,164
Contributions and investment income received during the year		433		595
Revenue recognized during the year		(552)		(541)
Transferred to endowments		(23)		-
Balance, end of year	**$**	**1,076**	**$**	**1,218**

12. Net assets restricted for endowment:

Endowments consist of donations to SIAST where the donor requires SIAST to maintain the principal intact in perpetuity. For fiscal 2006, disbursements on endowment funds were restricted to 5.0% of the principal and were funded by investment income earned on the endowment assets.

13. Commitments:

SIAST has a number of operating lease commitments pertaining to land, buildings and equipment. The majority of land and buildings are leased on a continuing basis from Saskatchewan Property Management (SPM), in addition to smaller private building lessors. The equipment is leased from various private lessors.

Year ended June 30, 2006
(in thousands of dollars)

13. Commitments continued:

A summary of the future minimum operating lease commitments over the next five years is as follows:

	Land and Buildings-SPM	Equipment Other Lessors	Total
2007	$ 25,547	$ 659	$ 26,206
2008	26,346	133	26,479
2009	26,346	27	26,373
2010	26,346	4	26,350
2011	26,346	1	26,347

The estimated cost to complete the SIAST Kelsey Campus expansion project, in progress at June 30, 2006, is approximately $4,225.

14. Pension plans:

SIAST employees participate in various multi-employer defined benefit and defined contribution pension plans. The majority of these are managed and administered by the Department of Finance. Employer contributions for the defined contribution plans are included in expenses in these financial statements. Employer obligations associated with the defined benefit plans are the responsibility of the General Revenue Fund of the Government of Saskatchewan. During the year, SIAST contributed $3,889 (2005 - $3,485) on behalf of employees for current services.

15. Change in non-cash working capital:

	2006	2005
Accounts receivable	$ 1,837	$ (2,536)
Inventories	350	167
Prepaid expenses	(238)	(75)
Accounts payable and accrued liabilities	2,285	(1,247)
Salaries and benefits payable	1,577	(749)
Unearned revenue	265	(1,068)
Deferred grants	(2,365)	2,586
	$ 3,711	**$ (2,922)**

Year ended June 30, 2006
(in thousands of dollars)

16. Financial assets and liabilities:

Cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and salaries and benefits payable are all short-term in nature and as such, their carrying value approximates fair value.

17. Related parties:

These financial statements include transactions with related parties. SIAST is related to all Saskatchewan Crown corporations, departments, boards and commissions under the common control of the Government of Saskatchewan. SIAST is also related to non-Crown enterprises subject to joint control and significant influence by the Government of Saskatchewan.

During the year, SIAST recognized grant revenue from the Department of Advanced Education and Employment (AEE) for operations and rent in the amount of $106,301 (2005 - $96,318). Revenue of $1,827 (2005 - $1,436) was recognized in the year representing the amortization of deferred capital funding provided by AEE.

Routine operating transactions with related parties are settled at exchange amounts that approximate prevailing market prices under normal trade terms. Transactions during the year, and amounts outstanding at year end, are as follows:

	2006	2005
Non-grant revenues	$ 17,315	$ 15,975
Operating expenses	31,068	23,798
Capital asset additions	2,749	1,303
Accounts payable	1,220	456
Accounts receivable	2,347	4,998

In addition, SIAST pays provincial sales tax to the Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other transactions and amounts due to and from related parties are described separately in these financial statements and the notes thereto.

Bob Wilson, Professional Cooking, SIAST Palliser Campus, was elected President of the Canadian Culinary Federation, Regina Branch. (pictured)

Woodland Campus Students' Association raised money for an emergency childcare centre called Children's Haven. Other fundraising recipients included the Rawlinson Centre for the Arts, the new communiplex and the Rotary Trail system. The association supported the Smart Family Food Co-Op, a bulk-buying program, by collecting money and arranging for students to pick up their food boxes on campus.

Year ended June 30, 2006
(in thousands of dollars)

18. Expenses by function:

Following is a summary of expenses by function:

	2006	2005
Programs	$ 93,521	$ 87,492
Facilities	26,145	21,158
Student services	10,955	10,446
Ancillary	6,000	5,700
Administration	21,437	18,799
	$ 158,058	**$ 143,595**

19. Comparative figures:

Certain of the prior year amounts have been reclassified to conform to the current year's presentation.

Patricia Zip, a Nursing Education Program of Saskatchewan faculty member, was awarded the Spinal Cord Injury Nursing Best Article of the Year Award. (pictured)

Tara Fournier, program head, Health Information Management, SIAST Wascana Campus, was appointed to the marketing committee of the Canadian Health Information Management Association.

SIAST Senior Management Council:

President and Chief Executive Officer
Dr. Robert G. McCulloch

Senior Vice-President, Academic
David Wells

Vice-President, Administrative Services
Kathryn Beaton

SIAST Deans and Academic Directors:

Associate Vice-President, Student Affairs
Alison Pickrell

Associate Vice-President, Electronic Learning and Technology
Barb Bremner

Applied Research
Dr. Branko Peterman

Basic Education
Brian Kraus

Business & Entrepreneurial Studies
Diane Reed

Community Services
Dr. Judy Harrower

Industrial Training
Denis Caron

Instructional and Leadership Development Centre
Vacant

Library Services
Heather West

Nursing
Netha Dyck

Registrar
Kathy Larsen

Science & Health
Judy Layne

Skills Initiatives
Barb Heise

Technology
Arnold Boldt

Virtual Campus
David Francis

Campus Directors:

Moose Jaw
SIAST Palliser Campus
Peter Lapointe

Prince Albert
SIAST Woodland Campus
Larry Fladager

Regina
SIAST Wascana Campus
Bill Coulthard

Saskatoon
SIAST Kelsey Campus
Gerry Bonsal

Administrative AVPs and Directors:

Associate Vice-President, Financial Services
Cheryl McMillan

Associate Vice-President, Human Resources
Gary Mearns

Associate Vice-President, Information Technology Services
Garth McCormick

Client Services
Lawrence Boehm

Communications
Patricia Gillies

Compensation and Benefits
Judy Grimwood

Controller
Patsy Gilchrist

Facilities
Mark Fachada

Financial Planning
Sean Engemoen

International Services
David Harvey

Labour Relations
Vacant

Networks & Systems
Raymond Saunders

Staff Recruitment
Rebecca Macaulay

Mission

SIAST is Saskatchewan's primary public institution for the development and delivery of post-secondary technical education and skills training. We share knowledge, provide skills training and engage in applied research, meeting the needs of students, employers and our communities.

Vision

SIAST is a leader in superior education, focused on students and lifelong learning — a catalyst for advancing the social and economic prosperity of Saskatchewan.

Values

Individually and collectively, the SIAST community will achieve its vision by adhering to the following values and principles:

- *Communication.* We engage in open, focused communications with stakeholders in the pursuit of common goals.
- *Involvement.* We are involved meaningfully in decisions that affect us.
- *Ethics.* We adhere to high standards of ethical behaviour. We do the right thing based on sound principles, attributes of good character and caring for others.
- *Innovation.* We value and reward innovation and creativity that furthers the goals of the organization.
- *Excellence.* We promote excellence through high standards and expectations.
- *Positive work environment.* Together, we will create a work environment that is healthy, safe and balanced.
- *Professionalism.* We are committed to our practice, using our knowledge and skills to produce excellent results, and reflecting on our work to constantly improve ourselves and how we do things.
- *Leadership.* We engage in consultative, shared and supportive leadership that inspires informed and appropriate decision-making throughout the organization.
- *Diversity.* We strive for diversity among student and employee populations to enrich the learning experience and the working environment.
- *Partnerships.* We seek well-conceived partnerships that yield mutual benefits and expedite our mission.

SIAST is Saskatchewan's primary public institution for post-secondary technical education and skills training, recognized nationally and internationally for our expertise and innovation. Almost 12,000 students are registered in our programs, which touch every sector of the economy; additionally, we draw more than 27,000 individual course registrations. We operate campuses in Moose Jaw, Prince Albert, Regina and Saskatoon, and provide a number of courses and programs through distance education.

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Putting knowledge to *work*.

www.goSIAST.com